

# Microsoft Commerce Strategy

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General Manager

Commerce Platforms

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**Microsoft**

Commerce  
Solutions

# Agenda

## ❖ Vision & Strategy

## ❖ Initiatives

- Digital Nervous System (DNS): Commerce Products & Services
- Microsoft Network (MSN): Commerce Services
- Distributed InterNet Architecture (DNA): DNA Commerce

## ❖ Architecture

## ❖ Roadmap

# Microsoft Commerce Vision

Friction-free Commerce

Consumers

MSN Commerce

Commerce  
for  
Everyone

XML  
Schemas

Developers

Business

DNA Commerce

DNS Commerce

Vision

Strategy

Ease of use, Components & Extensibility, Semantic  
Interoperability (Schemas)

# Microsoft Initiatives

## Internet

Business Web Sites &  
Trading Webs

## MSN Commerce

## DNA Commerce

XML Schemas

## DNS Commerce

Office, BackOffice, Windows

Business to Business

Business to Consumer



# Initiatives

DNS Commerce: Platform

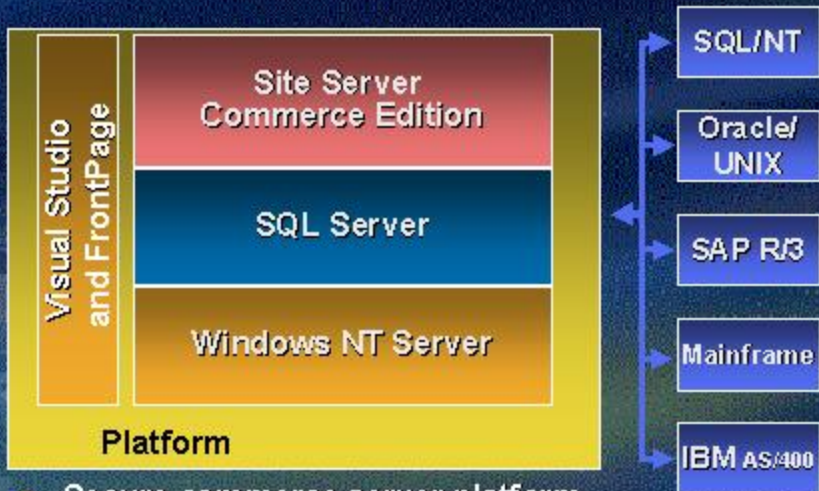
MSN Commerce: Marketplace

DNA Commerce: Industry Initiative

# DNS Commerce Products & Services

Commercial  
Solutions

# DNS Commerce Products



- Secure commerce server platform
- Integration with best-of-breed tools
- Interop with existing systems

Commerce  
Solutions

# DNS Commerce Services

## Link Exchange



**LinkExchange**

the only link exchange program that can build your web business

Log On | Log Off | My Profile | My Links | My Stats

**WANNA PROMOTE IT FOR FREE?**

**LinkExchange**

**Get Paid**

LinkExchange

Over 2,500,000 small businesses and individuals want to promote their web site

**promote**

your web site

1. **Basic Link Exchange**

2. **Advanced Link Exchange**

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**improve**

your web site

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**earn**

your web site

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**start**

your web site

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**The LinkExchange Network**

Log On | Log Off | My Profile | My Links | My Stats

Log On | Log Off | My Profile | My Links | My Stats

Log On | Log Off | My Profile | My Links | My Stats

**The LinkExchange Network**

Log On | Log Off | My Profile | My Links | My Stats

Log On | Log Off | My Profile | My Links | My Stats

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**The LinkExchange Network**

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# DNS Commerce Customer Momentum



# DNS Commerce Proof Points

DNS

- ❖ **Rapid, Easy development & deployment**
  - Small business to enterprises
  - Application Model & Tools
  - Analysis & Management tools
  - Proof Points: LinkExchange customers, Chapters Online, 800 Flowers, Dell

DNA

- ❖ **Extensibility**
  - Enable partner innovation
  - COM & XML based architecture
  - Proof Points: Largest ISV support of any Commerce Platform

MSN

- ❖ **Internet Scale**
  - Meeting the high scale needs today
  - Proof Points: SKUs (e.g. Barnes & Noble), Transactions (e.g. 800 Flowers), Users (e.g. Merisel, Delphi)

# DNS Commerce: Future Directions

DNS

- ❖ **Site Server Commerce Edition & LinkExchange become**
  - ❖ **Commerce Enterprise Server**
  - ❖ **Commerce Interchange Server**
  - ❖ **Commerce Small Business Services**

DNA

MSN

# DNS Commerce: Future Directions

## Enterprise Server

DNS

- ❖ Follow-on to Site Server Commerce 3.0
- ❖ What's New
  - Improved targeting and personalization
    - High performance targeting engine can aggregate users profiles (from local and network sources) to optimize delivery
    - Enhanced collaborative filtering
  - New catalog features to manage complex product information
  - More extensible transaction architecture that enables flows based on business process rules
  - OLAP enabled Analysis system with enhanced visualization support
  - Data Mining and implicit targeting
  - Business & Partner Desk

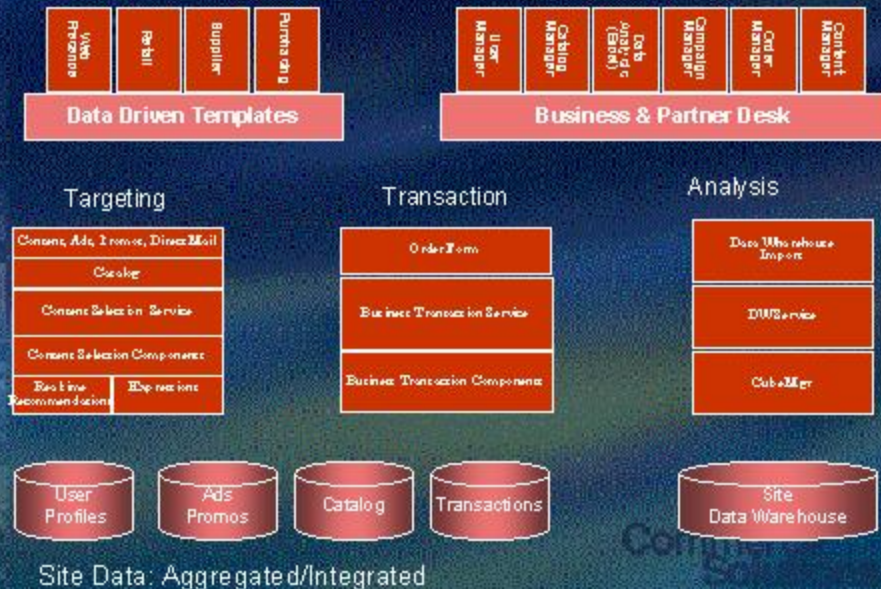
DNA

MSN



# DNS Commerce: Future Directions

## Enterprise Server



# DNS Commerce: Future Directions

## Interchange Server

DNS

❖ Follow-on to Commerce Interchange Pipeline

❖ What's New:

- Richer business process integration within and between companies

- Tools & infrastructure for semantic interoperability

  - interchange engine

  - data transformation engine

  - mapping tools

  - application connector architecture

- Enhanced partner management tools with support for trading webs

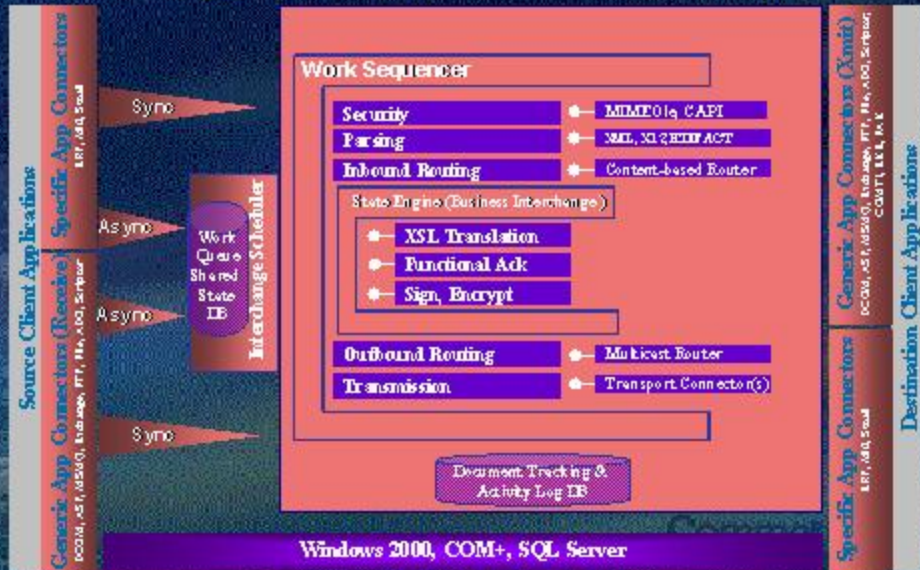
- Tracking and analysis support

DNA

MSN

# DNS Commerce: Future Directions

## Interchange Server



# DNS Commerce: Future Directions

## Small Business Services

DNS

- ❖ **Integration of LinkExchange, Site Server**

- Hosting sites: Provisioning, Site Creation, Catalog & Site Management
- Promoting sites: SubmitIT, Banner Exchange, Click Trade
- Operating & maintaining sites: Shopping Cart, Checkout, Payment, Analysis

- ❖ **Enables (ISP, SP) hosting**

- ❖ **Rich customization via FrontPage**

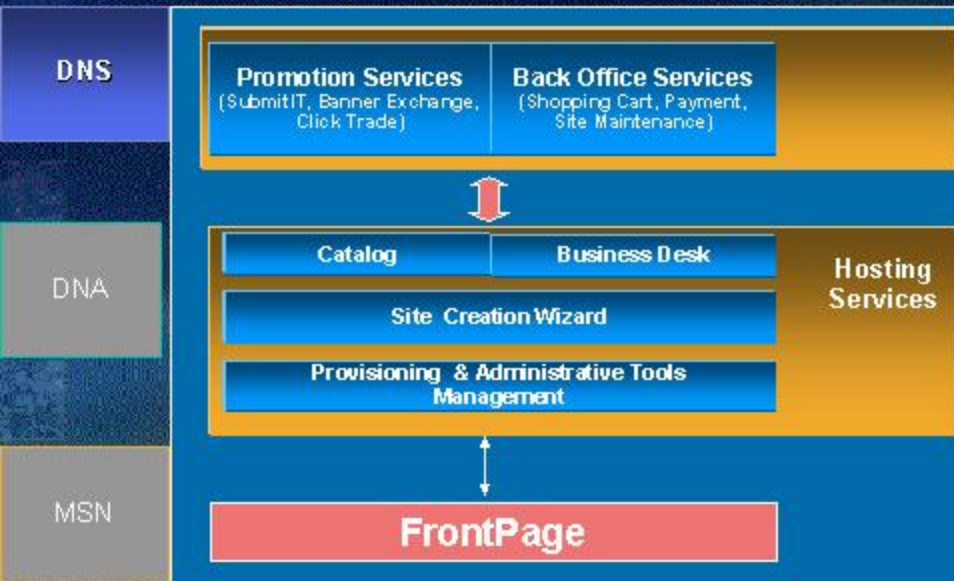
DNA

MSN



# Commerce Platform: Future Directions

## Commerce Services Architecture



# MSN Commerce

Commercial  
Software

# MSN Momentum

DNS

MSN

DNA

## MSN experiencing great momentum

- ❖ **Extending reach worldwide**
  - 41.3 reach in US
  - Content to more than 90% all online users worldwide
- ❖ **Leading services in commerce categories:**
  - Verticals: Autos, Personal Finance, Real Estate, Travel, Entertainment
  - Cross-category: Shopping, Guides, Yellow Pages,
- ❖ **Success with corporate, small business, and local marketers**
  - \$150M signed with large accounts in past 4 mths
  - 6k local advertisers in Guides/Yellow Pages
  - Network of 400,000 sites using small biz services

# Future Directions: Membership Services

DNS

## ❖ Convenience in a secure environment

- Single login, password, wallet
- Login once for multiple sites
- One-click shopping
- Consumers in control of their personal information (notice, access, choice)

MSN

## ❖ MSN services first, then 3<sup>rd</sup> parties

## ❖ TrustE and BBBOnline compliant

DNA



# Future Directions: Marketplace

DNS

- ❖ Connect businesses and consumers in a coordinated Web marketplace

- Commerce woven throughout MSN

MSN

- ❖ Provide unique value to consumers who want to shop or buy

- Coordinated, integrated shopping experience
  - Broad choice and ability to compare
  - Private, secure log-in and buying

DNA

- ❖ Help businesses sell more efficiently

- Consumer Marketplace = MSN + partner affiliates
  - Publish product and promo data; integrated search
  - User profile information and personalization

# Future Directions: Marketplace

## ❖ Consumer

- Learn: buying guides
- Find: products, businesses, promotions, notification
- Organize: shopping lists, gift registries
- Buy: online merchants, local merchants, buy now

## ❖ Business

- Reach: on MSN, throughout Web (LE services)
- Targeted promotion: products, promotions
- Integrate with systems through data interchange

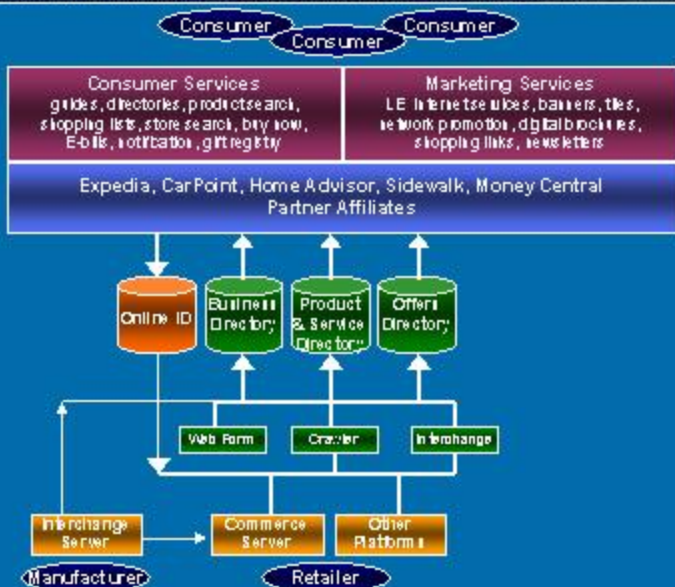
Commercial  
Solutions

# MSN Futures: Architecture

DNS

MSN

DNA



# Industry Initiatives

## DNA Commerce



# Extranets to Trading Networks

DNS

DNA

MSN

## ❖ Situation

- 1-1 EDI Investments Evolving (eg. XML)
- 1-M Extranets Benefits - Limited
- Standards Exists; More Needed



## ❖ New Trading Networks Evolve

- Platform technologies
- Interchange standards
- Integrated processes

# Extranets to Trading Networks

DNS

**1-1** Collaborative  
Promotion and  
Forecasting



New Processes

20% Out-of-Stock  
Reduction

DNA

**1-M** Extranet Model  
with 20 Suppliers



Common Processes  
and Data Structure



Full Assortment  
Impact

MSN

**M-M** Micro  
Marketplace w/3000  
Suppliers

Industry Best  
Practice 20 Retailers

Defacto Standards

# Future Directions: DNA.Commerce Architecture

DNS

DNA

MSN

## ❖ Microsoft Industry Initiatives

- Customer/partner driven
- Intra- and Inter- enterprise
- Common conventions
- Based on industry stds

### Service Industries

WinDNA FS  
Banking/Insurance

1.5 years  
50 ISVs  
Adcond

WinDNA FS  
Securities

1.5 years  
+50 ISVs  
DTC SIRP

ActiveX for  
Healthcare

3 years  
75+ ISVs  
HL7

### Product Industries

WinDNA  
Manufacturing

.5 years  
30 ISVs  
QAGIS

Value Chain  
Distribution

2 years  
150 ISVs  
VICS, UCC

ActiveStore  
Retail

3 years  
\$50 ISVs  
ARTS, EAN



Microsoft DNA.Commerce

X12, XML Schemas

MSN Schemas

Commerce Platforms

# Roadmap

## ❖ DNS Commerce:

- Interchange Server: CY End 99 (Beta July 99)
- Commerce Enterprise Server: CY End 99 (Beta July 99)
- Small Business Commerce Server & Services: 2H 99
- Reviewers Workshop: May 1999

## ❖ DNA Commerce:

- Architecture Review Timeline: TechEd 99 May 24

## ❖ MSN Commerce

- Partner Design Review for Consumer Marketplace Schema: June 99